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State/Territory Name: New York

State Plan Amendment (SPA) #: NY-22-0040

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

September 12, 2024

Amir Bassiri
State Medicaid Director
New York State Department of Health
99 Washington Ave
One Commerce Plaza, Suite 1432
Albany, NY 12210

RE: TN 22-0040

Dear Director Bassiri:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New York state plan amendment (SPA) to Attachment 4.19-A NY-22-0040, which was submitted to CMS on June 30, 2022. This plan amendment continues supplemental upper payment limit payments to state publicly owned and operated inpatient hospitals for state fiscal year 2022 in the amount of \$24,622,791.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act (the Act) and the applicable implementing Federal regulations.

This approval letter does not constitute approval of any specific Medicaid financing mechanism used to support the provider payment arrangement. All relevant federal laws and regulations apply. Based on the information provided by the state, the non-federal share sources relating to the inpatient state public hospital upper payment limit (UPL) adjustments appear to meet non-federal share financing requirements in section 1903(w) of the Act and implementing regulations in 42 CFR Part 433. To the extent CMS later discovers (either through further CMS review or review by a third party such as the HHS OIG or state auditor) that these financing arrangements do, in fact, violate section 1903(w) of the Act or its implementing regulations, CMS may enforce compliance by initiating deferrals and/or disallowances of federal financial participation.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact James Francis at 857-357-6378 or via email at James.Francis@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 — 0 0 4 0

2. STATE

N Y3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

April 01, 2022

5. FEDERAL STATUTE/REGULATION CITATION

~~§ 1902(a) of the Social Security Act and 42 CFR 447~~
~~1905(a)(1) Inpatient Hospital Services~~

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 04/01/22-09/30/22 \$ ~~2,500,000~~ 6,155,698.00b. FFY 10/01/22-09/30/23 \$ ~~2,500,000~~ 6,155,698.00

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Part II Page: 5(b)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Attachment 4.19-A Part II Page: 5(b)

9. SUBJECT OF AMENDMENT

2022 State Public UPL Payments

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Amir Bassiri

13. TITLE

Acting Medicaid Director

14. DATE SUBMITTED June 30, 2022

15. RETURN TO

New York State Department of Health
Division of Finance and Rate Setting
99 Washington Ave – One Commerce Plaza
Suite 1432
Albany, NY 12210

FOR CMS USE ONLY

16. DATE RECEIVED
June 30, 202217. DATE APPROVED
September 12, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
April 1, 2022

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS Pen and Ink Changes

Box 5. Federal Statute/Regulation Citation: 1905(a)(1) Inpatient Hospital Services

Box 6: Federal Budget Impact (Amounts in WHOLE Dollars)

a. FFY 04/01/22-09/30/22 \$6,155,698.00

b. FFY 10/01/22-09/30/23 \$6,155,698.00

**New York
5(b)**

1905(a)(1) Inpatient Hospital Services

**VII. ADDITIONAL INPATIENT STATE PUBLIC HOSPITAL UPPER PAYMENT LIMIT
(UPL) ADJUSTMENTS**

1. Effective for State UPL demonstrations for calendar year 2020 and after, if CMS determines that payments for inpatient hospital services provided by State government-owned hospitals exceed the UPL, the State will remit such amount in excess of the UPL as follows: The State will process a lump sum reduction equivalent to the value of the UPL excess upon approval of the UPL.
2. For the period beginning January 1, 2020, and each calendar year thereafter, the State will provide a supplemental payment for all inpatient services provided by State government-owned hospitals. The amount of the supplemental payment, when aggregated with other medical assistance payments, will not exceed 100% of a reasonable estimate of the amount that would be paid for such services under Medicare payment principles for State government-owned hospitals. Such a supplemental payment will be allocated and paid to OMH-operated hospitals based on the proportionate share of total base year Medicaid days used for the inpatient rate calculation and will be factored into facility-specific Disproportionate Share (DSH) limit calculations.

For the period January 1, 2022, through December 31, 2022, the supplemental payment will be \$24,622,791 and will be payable as a one-time lump sum.

TN #22-0040

Approval Date September 12, 2024

Supersedes TN #21-0042

Effective Date April 01, 2022